February 2017



Farm Service Agency



Having trouble viewing this email? View it as a Web page.

Topics for February

- USDA Announces Enrollment Period for Safety Net Coverage in 2017
- Organic Producers and Handlers May Apply for Certification Cost Share Reimbursements;
 Expanded Eligibility for Transition and State Certification Cost
- <u>USDA Announces New Conservation Opportunities to Improve Water Quality and Restore</u>
 Wildlife Habitat
- FSAfarm+, FSA's Customer Self-Service Portal
- Final Planting Dates
- Breaking New Ground
- Farm Reconstitutions
- Guaranteed Loan Program
- USDA Microloans Help Farmers Purchase Farmland and Improve Property
- USDA to Host Good Agricultural Practices Workshops in March

South Carolina Farm Service Agency February Newsletter

South Carolina Farm Service Agency

1927 Thurmond Mall, Suite 100

Columbia, SC 29201 Phone: 803.806.3820

www.fsa.usda.gov/sc

State Committee:

Robert Battle, Chairperson Warren Dixon Mary Frances Koon Don Sharp Tom Trantham

USDA Announces Enrollment Period for Safety Net Coverage in 2017

Producers on farms with base acres under the safety net programs established by the 2014 Farm Bill, known as the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs, can visit their local FSA office to sign contracts and enroll for the 2017 crop year. The enrollment period will continue until Aug. 1, 2017.

Since shares and ownership of a farm can change year-to-year, producers on the farm must enroll by signing a contract each program year.

Acting State Executive Director:

W. Jack Nettles

Administrative Officer:

Toni Turner

Farm Programs Chief:

Amy Turner

Acting Farm Loan Programs Chief:

Larry Rogers

Producers can contact their <u>local FSA Office</u> for more information or to schedule an appointment. If a farm is not enrolled during the 2017 enrollment period, the producers on that farm will not be eligible for financial assistance from the ARC or PLC programs for the 2017 crop should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program. Producers who made their elections in 2015 must still enroll during the 2017 enrollment period.

The ARC and PLC programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in prices or revenues for covered commodities. Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity. For more details regarding these programs, go to www.fsa.usda.gov/arc-plc.

For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit http://offices.usda.gov.

Organic Producers and Handlers May Apply for Certification Cost Share Reimbursements; Expanded Eligibility for Transition and State Certification Cost

Starting March 20, 2017, organic producers and handlers will be able to visit over 2,100 USDA Farm Service Agency (FSA) offices to apply for federal reimbursement to assist with the cost of receiving and maintaining organic or transitional certification.

USDA reimburses organic producers up to 75 percent of the cost of organic certification, but only about half of the nation's organic operations currently participate in the program. Starting March 20, USDA will provide a uniform, streamlined process for organic producers and handlers to apply for organic cost share assistance either by mail or in person.

USDA is making changes to increase participation in the National Organic Certification Cost Share Program (NOCCSP) and the Agricultural Management Assistance Organic Certification Cost Share Program, and at the same time provide more opportunities for organic producers to access other USDA programs, such as disaster protection and loans for farms, facilities and marketing. Producers can also access information on nonfederal agricultural resources, and get referrals to local experts, including organic agriculture, through USDA's Bridges to Opportunity service at the local FSA office.

Historically, many state departments of agriculture have obtained grants to disburse reimbursements to those producers and handlers qualifying for cost share assistance. FSA will continue to partner with states to administer the programs. For states that want to continue to directly administer the programs, applications will be due Feb. 17, 2017.

Eligible producers include any certified producers or handlers who have paid organic or transitional certification fees to a <u>USDA-accredited certifying</u> agent. Application fees, inspection costs, fees related to equivalency agreement/ arrangement requirements, travel/per diem for inspectors, user fees, sales assessments and postage are all eligible for a cost share reimbursement from USDA.

Once certified, producers and handlers are eligible to receive reimbursement for up to 75 percent of certification costs each year up to a maximum of \$750 per certification scope—crops, livestock, wild crops and handling. This announcement also adds transitional certification and state organic program fees as additional scopes.

To learn more about organic certification cost share, please visit www.fsa.usda.gov/organic or contact a local FSA office by visiting http://offices.usda.gov.

USDA Announces New Conservation Opportunities to Improve Water Quality and Restore Wildlife Habitat

USDA will offer farmers and ranchers more opportunities to participate in the Conservation Reserve Program (CRP). The announcement includes new CRP practices to protect water quality and adds an additional 1.1 million acres targeted to benefit wildlife, pollinators and wetlands.

The new conservation initiative known as Clean Lakes, Estuaries and Rivers (CLEAR) will add new tools to CRP that can help to improve water quality. CLEAR will assist landowners with the cost of building bioreactors and saturated buffers that filter nitrates and other nutrients from tile-drained cropland. Early estimates indicate that CLEAR could help to reduce nitrate runoff by as much as 40 percent over traditional conservation methods. CLEAR may cover up to 90 percent of the cost to install these new practices through incentives and cost-share. These new methods are especially important in areas where traditional buffers have not been enough to prevent nutrients from reaching bodies of water.

USDA will also add an additional 1.1 million acres to a number of key CRP practices that are critically important to wildlife and conservation. These include 700,000 acres for State Acres for Wildlife Enhancement (SAFE) efforts, which restore high-priority wildlife habitat tailored to a specific state's needs. In addition to SAFE, 300,000 acres will be added to target wetlands restoration that are nature's water filters and 100,000 acres for pollinator habitat that support 30 percent of agricultural production.

The continued strong demand for CRP combined with the limited acreage available for enrollment and lower land rental rates, allows USDA to modify certain program components without affecting the integrity of the program. Signing incentives are being reduced by \$25 per acre on certain practices for fiscal year 2018 enrollments (incentives are currently between \$100 and \$150 per acre) and a cap on the maximum soil rental rate is being instituted for Continuous CRP at \$300 per acre. The savings from these changes are being reinvested back in CRP, including the additional acres for SAFE, pollinator habitat and wetlands restoration.

To learn more about FSA's conservation programs, visit www.fsa.usda.gov/conservation or contact your local FSA office.

FSAfarm+, FSA's Customer Self-Service Portal

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) has launched a new tool to provide farmers and ranchers with remote access to their personal farm information using their home computers. Farmers and ranchers can now view, print or export their personal farm data all without visiting an FSA county office.

The program, known as **FSA**farm+, provides you with secure access to view your personal FSA data, such as base and yields, Conservation Reserve Program data, other conservation program

acreage, Highly Erodible Land Conservation and Wetland Conservation status information, field boundaries, farm imagery, name and address details, contact information and membership interest and shares in the operation. This data will be available in real time, at no cost to the producer and allow operators and owners to export and print farm records, including maps. Producers also can electronically share their data with a crop insurance agent from their own personal computer.

Farm operators and owners first will need "Level 2 eAuthentication" to access the webportal. This level of security ensures that personal information is protected for each user. Level 2 access can be obtained by going to www.eauth.usda.gov, completing the required information and then visiting your local FSA office to finalize access.

For more information on **FSA**farm+, the customer self-service portal, contact your local FSA office. To find your local FSA county office, click http://offices.usda.gov.

Final Planting Dates

All producers are encouraged to contact their local FSA office for more information on the final planting date for specific crops. The final planting dates vary by crop, planting period and county so please contact your local FSA office for a list of county-specific planting deadlines. The timely planting of a crop, by the final planting date, may prevent loss of program benefits.

Breaking New Ground

Agricultural producers are reminded to consult with FSA and NRCS before breaking out new ground for production purposes as doing so without prior authorization may put a producer's federal farm program benefits in jeopardy. This is especially true for land that must meet Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions.

Producers with HEL determined soils are required to apply tillage, crop residue and rotational requirements as specified in their conservation plan.

Producers should notify FSA as a first point of contact prior to conducting land clearing or drainage type projects to ensure the proposed actions meet compliance criteria such as clearing any trees to create new cropland, then these areas will need to be reviewed to ensure such work will not risk your eligibility for benefits.

Landowners and operators complete the form AD-1026 - Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification to identify the proposed action and allow FSA to determine whether a referral to Natural Resources Conservation Service (NRCS) for further review is necessary.

Farm Reconstitutions

When changes in farm ownership or operation take place, a farm reconstitution is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

- Estate Method the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;
- **Designation of Landowner Method** may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;
- **DCP Cropland Method** the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;
- Default Method the division of bases for a parent farm with each tract maintaining the
 bases attributed to the tract level when the reconstitution is initiated in the system.

Guaranteed Loan Program

FSA guaranteed loans allow lenders to provide agricultural credit to farmers who do not meet the lender's normal underwriting criteria. Farmers and ranchers apply for a guaranteed loan through a lender, and the lender arranges for the guarantee. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. Guaranteed loans can be used for both farm ownership and operating purposes.

Guaranteed farm ownership loans can be used to purchase farmland, construct or repair buildings, develop farmland to promote soil and water conservation or to refinance debt.

Guaranteed operating loans can be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance and other operating expenses.

FSA can guarantee farm ownership and operating loans up to \$1,399,000. Repayment terms vary depending on the type of loan, collateral and the producer's ability to repay the loan. Operating loans are normally repaid within seven years and farm ownership loans are not to exceed 40 years.

Please contact your lender or local FSA farm loan office for more information on guaranteed loans.

USDA Microloans Help Farmers Purchase Farmland and Improve Property

Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program has been hugely successful, providing more than 16,800 low-interest loans, totaling over \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers, and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program visit www.fsa.usda.gov/microloans, or contact your local FSA office.

USDA to Host Good Agricultural Practices Workshops in March

U.S. Department of Agriculture (USDA) agencies and the South Carolina Department of Agriculture (SCDA) are teaming up in March to provide two workshops aimed at helping Chester, Laurens and surrounding county residents with information on the process and procedures involved in preparing for Good Agricultural Practices (GAP) and Good Handling Practices (GHP) audits.

During these workshops, landowners will learn about the voluntary GAP and GHP audit verification program, as well as the best agricultural practices to verify that fruits and vegetables are produced, packed, handled and stored in the safest manner possible to minimize risks of microbial food safety hazards.

For additional details, please visit:

https://www.nrcs.usda.gov/wps/portal/nrcs/detail/sc/newsroom/releases/?cid=NRCSEPRD1316380

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).